

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 7404

BILL NUMBER: HB 1345

NOTE PREPARED: Feb 19, 2009

BILL AMENDED:

SUBJECT: Twenty-first Century Research and Technology Fund.

FIRST AUTHOR: Rep. Crawford

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: This bill provides that the Legislative Evaluation and Oversight Policy Subcommittee of the Legislative Council shall direct an audit of the Indiana Economic Development Corporation's administration of the Indiana Twenty-first Century Research and Technology Fund in 2009. It requires the chairman of the Legislative Council to appoint a committee in 2010 to perform specified duties.

Effective Date: July 1, 2009.

Explanation of State Expenditures: *Legislative Services Agency (LSA):* LSA will be required to prepare an evaluation of the Twenty-First Century Research and Technology Fund. The bill provides that the Legislative Evaluation and Oversight Policy Subcommittee (LEOPS) may not direct LSA staff to perform other evaluations during the time that the audit required under this bill is being performed. This bill is not expected to increase expenditures for LSA.

Currently, LSA prepares evaluations for topics that are recommended by the LEOPS. The evaluation is reviewed by a committee appointed by the Legislative Council, who may make recommendations to the General Assembly. Usually, one agency or program is reviewed each year, but LSA has produced as many as four reports in one year when several smaller topics are assigned. LSA has one full-time staff working on evaluation, but other staff assist as needed.

Indiana Economic Development Corporation (IEDC): The information regarding the Twenty-First Century Research and Technology Fund required in this bill is provided to the General Assembly, and the most current information is provided in a report for FY 2008. Any additional information required for the audit

may require additional staff time. Any increase in costs is expected to be minimal.

Twenty-First Century Research and Technology Fund: In FY 2007, the fund provided grants totaling approximately \$33 M to 21 Indiana companies. The fund was created in 1999, and in 2005 the IEDC began to oversee the fund, which provides support to Indiana-based technology companies. There have been a total of 58 awards totaling approximately \$75 M since 2005.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: LSA; IEDC.

Local Agencies Affected:

Information Sources: Ryan Asberry, IEDC, 317-232-8962.

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